

## SINGLE-FAMILY NEWS BULLETIN



### 2015 Take Credit Program Now Available

March 11, 2015

Dear Participating Lenders:

I am pleased to announce the launch of the 2015 Take Credit Mortgage Credit Certificate (MCC) Program. The Iowa Finance Authority (IFA) Board of Directors approved an allocation of private activity bond volume cap in an amount sufficient to issue Mortgage Credit Certificates in connection with approximately \$42 million of mortgages in calendar year 2015. This is sufficient capacity to make homeownership more affordable for an estimated 400 new home buyers in 2015 through the Program.

Funds are available now for reservation by Take Credit Participating Lenders. At this time, funds may be reserved on behalf of qualified borrowers making new purchases. Only borrowers with a written Commitment Notice from IFA prior to closing will be eligible to receive an MCC. An updated [Take Credit Program Guide](#) is now available on the IFA website and in Lender Online. For more detailed information, including [income and purchase price limits](#), refer to the IFA website and Take Credit Program Guide.

#### **Take Credit Participating Lender Sign-Up**

To become a new Take Credit Participating Lender or to renew participation, please complete the attached Lender Sign-up Request form and send by e-mail to [lender.inquiry@iowa.gov](mailto:lender.inquiry@iowa.gov). Upon receipt of this request form, IFA will e-mail the 2015 sign-up packet including an updated agreement for you to execute along with an invoice for the annual lender sign-up fee. Please do not send checks or agreements without a customized invoice from IFA as it may delay your registration. Current Participating Lenders who signed up for the Take Credit program in 2014 have automatically been given access to reserve funds for the 2015 Take Credit Program starting on March 11, 2015; however, no MCC Commitment will be issued until the sign-up process is complete. In addition, the lender sign-up process must be completed in order to be listed as a 2015 Take Credit Participating Lender on the IFA website.

## 2015 Take Credit Program Highlights

Key items to note about the 2015 Take Credit Program:

- The **credit rate** has been **increased** from 30% **to 50%**. The credit rate refers to the percentage of the mortgage interest a borrower can claim as a tax credit.
- The 2015 fee schedule for lender sign-up and borrower application fees is the same as in 2014. There is **no application fee for borrowers using an IFA mortgage** under the Homes for Iowans Program. There is a \$300 non-refundable borrower application fee for those not using an IFA mortgage. (The Fee Schedule is provided as Exhibit B of the 2015 Take Credit Program Guide.)
- Eligible financing is **limited to 30-year fixed rate** fully amortizing **mortgage loans**.
- **Funding** for the program is **limited** and may be exhausted before the end of the year. Use the Available Funds tab in Lender Online to see how much funding is available at any time.
- MCC **reservations** will **lock funds for 60 days** and the **loan must close within the reservation period**. MCCs for loans that do not close within the reservation period will be canceled and are subject to IFA's relock policy.
- Use of **Iowa Title Guaranty is required** as a condition of issuing an MCC.
- The Take Credit Program **may be used** in conjunction **with** IFA's unique **no-MI conventional product, HFA Preferred Risk Sharing**. Pairing an MCC with this product may in many cases provide a borrower with the best overall value because the higher interest rate is offset by the MCC whereas a borrower paying MI cannot apply the MCC credit rate to their MI costs.

Participating Lenders may contact their designated Loan Production Specialist at IFA with any questions. A list of current Participating Lenders and their IFA contact can be found on our website at [www.iowafinanceauthority.gov/](http://www.iowafinanceauthority.gov/). Navigate to the Information for Lenders Page, click on Forms and Resources, and then locate the Lender Team Assignments list.

Thank you for partnering with IFA on the 2015 Take Credit Program! We look forward to working with you to deliver this valuable federal resource to home buyers in Iowa.

Iowa Finance Authority | [IowaFinanceAuthority.gov](http://IowaFinanceAuthority.gov)  
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